

ABSTRACT

This thesis focuses on types of shares in limited liability company. The concept of variability of shares was introduced by the Business Corporation Act, with a purpose to make limited liability company more attractive. There are many issues concerning this concept, preventing its effective use in practice. The aim of this thesis, is to identify current interpretational disputes and attempts to adumbrate possible outcomes and solutions. This thesis also reflects the proposal of amendment of the Business Corporation Act which was approved by the Government and passed to the Chamber of Deputies in June 2018.

This diploma thesis consists of six chapters, which are further divided into subcategories. The first chapter introduces a concept of share in a limited liability company, its legal definition, understanding and related issues,

The second chapter provides an overview of different types of shares, their classification as ordinary and special shares, and briefly outline the concept of variability of shares in selected foreign legal systems.

The third chapter focuses on the concept of ordinary share and its unclear definition resulting in various interpretations. This section further examines and analyses different viewpoints on definition of ordinary share.

The focus of the fourth chapter is the classification of special shares based on definition of ordinary share. This chapter will also present various forms of issuing special shares by modification and withdrawal of rights and duties. The final part of this section deals with prescribed particulars, specifically: contribution and additional payment obligation; right to vote; right to profit; right to share of liquidation balance and the right to settlement share.

The fifth chapter examines the process and formal requirements for issuing shares, and their registration with the Company Register.

The final chapter evaluates the current legal framework and impact the amendment of the Business Corporation may have if coming into effect.